First Regular Session Seventy-second General Assembly STATE OF COLORADO

REVISED

This Version Includes All Amendments Adopted on Second Reading in the Second House

LLS NO. 19-0692.01 Duane Gall x4335

HOUSE BILL 19-1003

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A BILL FOR AN ACT

101 CONCERNING COMMUNITY SOLAR GARDENS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

The bill amends the current statute authorizing the creation of community solar gardens (CSGs) by:

- ! Increasing the maximum size of a CSG from 2 megawatts to 10 megawatts; and
- ! Removing the requirement that a CSG subscriber's identified physical location be in the same county as, or a county adjacent to, that of the CSG, while retaining the requirement that it be within the service territory of the

SENATE

Amended 2nd Reading

April 23, 2019

HOUSE 3rd Reading Unamended April 1, 2019

> HOUSE Amended 2nd Reading March 29, 2019

Shading denotes HOUSE amendment. <u>Double underlining denotes SENATE amendment.</u>

Capital letters or bold & italic numbers indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

same electric utility.

| 1 | Be it enacted by the General Assembly of the State of Colorado: |
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| 2 | SECTION 1. In Colorado Revised Statutes, 12-23-104, amend |
| 3 | (2)(f.5) as follows: |
| 4 | 12-23-104. Board powers and duties - rules. (2) In addition to |
| 5 | all other powers and duties conferred or imposed upon the board by this |
| 6 | article, the board is authorized to: |
| 7 | (f.5) Regulate a licensed master electrician, journeyman |
| 8 | electrician, or residential wireman who, acting within his or her scope of |
| 9 | competence, supervises a solar photovoltaic installation pursuant to |
| 10 | section 40-2-128. C.R.S.; ON AND AFTER JANUARY 1, 2020, ALL |
| 11 | PHOTOVOLTAIC ELECTRICAL WORK FOR INSTALLATIONS OF AT LEAST |
| 12 | THREE HUNDRED KILOWATTS, INCLUDING THE INTERCONNECTION OF THE |
| 13 | MODULES, GROUNDING OF THE MODULES, ANY BALANCE OF SYSTEM |
| 14 | WIRING, AND THE CUSTOMER-SIDE POINT OF CONNECTION TO THE UTILITY |
| 15 | GRID, MUST BE PERFORMED BY A LICENSED MASTER ELECTRICIAN, |
| 16 | LICENSED JOURNEYMAN ELECTRICIAN, LICENSED RESIDENTIAL WIREMAN, |
| 17 | OR PROPERLY SUPERVISED ELECTRICAL APPRENTICES AND MUST COMPLY |
| 18 | WITH ALL APPLICABLE REQUIREMENTS OF THIS ARTICLE 23, INCLUDING |
| 19 | SECTIONS 12-23-105 AND 12-23-110.5, AND ALL APPLICABLE RULES OF |
| 20 | THE BOARD. |
| 21 | SECTION 2. In Colorado Revised Statutes, 40-2-127, amend |
| 22 | (2)(b)(I)(A), (2)(b)(II), and (5)(b)(I); and add (2)(b)(I)(D) and (3.5) as |
| 23 | <u>follows:</u> |
| 24 | 40-2-127. Community energy funds - community solar |
| 25 | gardens - definitions - rules - legislative declaration. (2) Definitions. |

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As used in this section, unless the context otherwise requires:

(b) In addition:

(I) (A) "Community solar garden" means a solar electric generation facility with a nameplate rating of two megawatts or less WITHIN THE RANGE SPECIFIED UNDER SUBSECTION (2)(b)(I)(D) OF THIS SECTION that is located in or near a community served by a qualifying retail utility where the beneficial use of the electricity generated by the facility belongs to the subscribers to the community solar garden. There shall be at least ten subscribers. The owner of the community solar garden may be the qualifying retail utility or any other for-profit or nonprofit entity or organization, including a subscriber organization organized under this section, that contracts to sell the output from the community solar garden to the qualifying retail utility. A community solar garden shall be deemed to be "located on the site of customer facilities".

(D) A COMMUNITY SOLAR GARDEN MUST HAVE A NAMEPLATE RATING OF FIVE MEGAWATTS OR LESS; EXCEPT THAT THE COMMISSION MAY, IN RULES ADOPTED PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION, APPROVE THE FORMATION OF A COMMUNITY SOLAR GARDEN WITH A NAMEPLATE RATING OF UP TO TEN MEGAWATTS ON OR AFTER JULY 1, 2023.

(II) "Subscriber" means a retail customer of a qualifying retail utility who owns a subscription and who has identified one or more physical locations to which the subscription is attributed. Such physical locations must be within the service territory of the same qualifying retail utility and also in the same county as, or a county adjacent to, that of AS the community solar garden. The subscriber may change from time to time the premises to which the community solar garden electricity

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| 1 | generation shall be attributed, so long as the premises are within the |
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| 2 | geographical limits allowed for a subscriber SAME SERVICE TERRITORY. |
| 3 | (3.5) Standards for construction and operation. THE |
| 4 | FOLLOWING REQUIREMENTS APPLY TO ANY COMMUNITY SOLAR GARDEN |
| 5 | EXCEEDING TWO MEGAWATTS: |
| 6 | _ |
| 7 | (a) THE INITIAL INSTALLATION OF ANY PHOTOVOLTAIC MODULE OR |
| 8 | ASSOCIATED ELECTRICAL EQUIPMENT IS SUBJECT TO FINAL INSPECTION |
| 9 | AND APPROVAL IN ACCORDANCE WITH SECTION 12-23-116. |
| 10 | (b) If a qualifying retail utility owns all or part of a |
| 11 | COMMUNITY SOLAR GARDEN, THE UTILITY SHALL USE ITS OWN EMPLOYEES |
| 12 | TO OPERATE AND MAINTAIN THE MODULES AND OTHER ELECTRICAL |
| 13 | EQUIPMENT THAT THE UTILITY OWNS. |
| 14 | |
| 15 | (5) Purchases of the output from community solar gardens. |
| 16 | (b) (I) (A) The output from a community solar garden shall be sold only |
| 17 | to the qualifying retail utility serving the geographic area where the |
| 18 | community solar garden is located. |
| 19 | (B) Once a community solar garden is part of a qualifying retail |
| 20 | utility's plan for acquisition of renewable resources, as approved by the |
| 21 | commission, the commission shall by January 30, 2020, initiate a |
| 22 | PROCEEDING, OR CONSIDER IN AN ACTIVE PROCEEDING, TO DETERMINE |
| 23 | WHETHER the qualifying retail utility shall purchase all of the electricity |
| 24 | and renewable energy credits generated by the community solar garden |
| 25 | OR WHETHER A SUBSCRIBER MAY, UPON BECOMING A SUBSCRIBER, CHOOSE |
| 26 | TO RETAIN OR SELL TO THE QUALIFYING RETAIL UTILITY THE SUBSCRIBER'S |
| 27 | RENEWABLE ENERGY CREDITS. |

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| 1 | (C) The amount of electricity and renewable energy credits |
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| 2 | generated by each community solar garden shall be determined by a |
| 3 | production meter installed by the qualifying retail utility or third-party |
| 4 | system owner and paid for by the owner of the community solar garden. |
| 5 | SECTION 3. In Colorado Revised Statutes, 40-2-128, amend (1) |
| 6 | introductory portion, (1)(a)(I)(D), and (1)(d) introductory portion; and |
| 7 | repeal (1)(c) as follows: |
| 8 | 40-2-128. Solar photovoltaic installations - supervision by |
| 9 | certified practitioners - qualifications of electrical contractors. |
| 10 | (1) For all photovoltaic installations funded wholly or partially through |
| 11 | ratepayer-funded incentives as part of the renewable energy standard |
| 12 | adjustment allowed under section 40-2-124 WITH A DIRECT CURRENT |
| 13 | DESIGN CAPACITY OF LESS THAN THREE HUNDRED KILOWATTS: |
| 14 | (a) (I) (D) By submitting an initial application for funding or an |
| 15 | initial contract proposal, the applicant assumes responsibility for |
| 16 | employing or contracting with one or more certified energy practitioners |
| 17 | or licensed master electricians, licensed journeyman electricians, or |
| 18 | <u>licensed residential wiremen to supervise the installation and as necessary</u> |
| 19 | to maintain the three-to-one ratio required by paragraphs (b) and (c) of |
| 20 | this subsection (1) SUBSECTION (1)(b) OF THIS SECTION, including during |
| 21 | any off-site, preinstallation assembly. Payment of any incentives for the |
| 22 | work shall not be approved until the applicant supplies the name and |
| 23 | certification number of each certified energy practitioner or the license |
| 24 | number of each master electrician, journeyman electrician, or residential |
| 25 | wireman who actually provided on-site supervision or was present to |
| 26 | maintain the three-to-one ratio required by paragraphs (c) and (d) of this |
| 27 | subsection (1) (d) of this section. |

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| I | (c) On a system with a direct current design capacity of more than |
|----|---|
| 2 | <u>five hundred kilowatts:</u> |
| 3 | (I) During any photovoltaic electrical work, the ratio of the |
| 4 | number of persons who are assisting with the work and who are neither |
| 5 | licensed electricians nor registered electrical apprentices to the number |
| 6 | of persons who are certified as provided in paragraph (a) of this |
| 7 | subsection (1) shall never exceed three to one, and a person who is both |
| 8 | licensed and certified shall not count double for purposes of measuring |
| 9 | this ratio; and |
| 10 | (II) There shall be at least one on-site supervisor who is certified |
| 11 | as provided in paragraph (a) of this subsection (1) during the following |
| 12 | stages; except that, if at any time during any of the following stages, there |
| 13 | are more than twelve persons on the work site who are neither licensed |
| 14 | electricians nor registered electrical apprentices and who are not certified |
| 15 | as provided in paragraph (a) of this subsection (1), there shall be at least |
| 16 | two persons who are certified as provided in paragraph (a) of this |
| 17 | subsection (1) present on the work site and providing direct supervision |
| 18 | <u>of:</u> |
| 19 | (A) The installation of photovoltaic modules; |
| 20 | (B) The installation of photovoltaic module mounting equipment; |
| 21 | <u>and</u> |
| 22 | (C) Any photovoltaic electrical work. |
| 23 | (d) On a system with a direct current design capacity of five |
| 24 | hundred kilowatts or less THAN THREE HUNDRED KILOWATTS: |
| 25 | SECTION 4. In Colorado Revised Statutes, 12-115-107, amend |
| 26 | as relocated by House Bill 19-1172 (2)(f) as follows: |
| 27 | 12-115-107 Roard nowers and duties - rules - definition |

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| I | (2) In addition to all other powers and duties conferred or imposed upon |
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| 2 | the board by this article 115, the board is authorized to: |
| 3 | (f) Regulate a licensed master electrician, journeyman electrician, |
| 4 | or residential wireman who, acting within his or her scope of competence, |
| 5 | supervises a solar photovoltaic installation pursuant to section 40-2-128. |
| 6 | ON AND AFTER JANUARY 1, 2020, ALL PHOTOVOLTAIC ELECTRICAL WORK |
| 7 | FOR INSTALLATIONS OF AT LEAST THREE HUNDRED KILOWATTS, INCLUDING |
| 8 | THE INTERCONNECTION OF THE MODULES, GROUNDING OF THE MODULES, |
| 9 | ANY BALANCE OF SYSTEM WIRING, AND THE CUSTOMER-SIDE POINT OF |
| 10 | CONNECTION TO THE UTILITY GRID, MUST BE PERFORMED BY A LICENSED |
| 11 | MASTER ELECTRICIAN, LICENSED JOURNEYMAN ELECTRICIAN, LICENSED |
| 12 | RESIDENTIAL WIREMAN, OR PROPERLY SUPERVISED ELECTRICAL |
| 13 | APPRENTICES AND MUST COMPLY WITH ALL APPLICABLE REQUIREMENTS |
| 14 | OF THIS ARTICLE 115, INCLUDING SECTIONS 12-115-109 AND 12-115-115, |
| 15 | AND ALL APPLICABLE RULES OF THE BOARD. |
| 16 | SECTION 5. Act subject to petition - effective date. (1) Except |
| 17 | as otherwise provided in subsection (2) of this section, this act takes |
| 18 | effect at 12:01 a.m. on the day following the expiration of the ninety-day |
| 19 | period after final adjournment of the general assembly (August 2, 2019, |
| 20 | if adjournment sine die is on May 3, 2019); except that, if a referendum |
| 21 | petition is filed pursuant to section 1 (3) of article V of the state |
| 22 | constitution against this act or an item, section, or part of this act within |
| 23 | such period, then the act, item, section, or part will not take effect unless |
| 24 | approved by the people at the general election to be held in November |
| 25 | 2020 and, in such case, will take effect on the date of the official |
| 26 | declaration of the vote thereon by the governor. |

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- 1 (2) Section 4 of this act takes effect only if House Bill 19-1172
- becomes law, in which case section 4 takes effect October 1, 2019.

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